NOVEMBER 3, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON NOVEMBER 3, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON NOVEMBER 3, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 4; SURFACE ACTIONS AS LISTED ON PAGES 4 TO 24; DEVELOPMENT ACTIONS AS LISTED ON PAGES 24 TO 28; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 28.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON MONDAY, NOVEMBER 17, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.

KEVIN S. CARTER, DIRECTOR SCHOOL AND INSTITUTIONAL

TRUST LANDS ADMINISTRATION

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIALS PERMIT NO. 350 FIRST AMENDMENT (APPROVAL)

PERMITTEE:

Lane Fuller P.O. Box 262 LaSal, UT 84530

AFFECTED LANDS:

West Jordan, UT 84088

Before Amendment: Township 28 South, Range 24 East, SLB&M.

Section 32: E½NE¼NE¼

After Amendment: Township 28 South, Range 24 East, SLB&M.

Section 32: NE¹/₄NE¹/₄

COUNTY: San Juan ACRES: $40.0\pm$ FUND: SCH

This permit was amended to allow space for a crusher/screening operation to be set up.

Upon recommendation of Mr. Tom Faddies, the Director approved the above-referenced Amendment to MP 350.

EXPIRATION OF MINERAL LEASE FOR CLAY MINERALS (SCH)

The following described mineral lease for Clay Minerals reached the end of its primary term of ten years, without achieving commercial production of the leased substances or diligent development operations on October 31, 2008, and is expired. No operations occurred on the leased lands during the term of the lease. The lessee no longer has any rights relevant to this lease. The lands are withdrawn from over-the-counter leasing for Clay Minerals except through a negotiated lease agreement or statutory Other Business Arrangement.

 ML 48090
 T7S, R1W, SLB&M.
 Utah

 Pabco Building Products, LLC
 Sec. 20: N½NE¾
 80.00 acres

 9780 South 5200 West
 80.00 acres

This item is submitted by Mr. Blake for record-keeping purposes only.

AMENDMENT OF DIRECTOR'S MINUTES OF OCTOBER 13, 2008, AS TO LEGAL DESCRIPTION OF LANDS APPROVED WITHIN ML 51499-MP (SCH)

On the Director's Minutes of October 13, 2008, the Director approved Mineral Materials Permit Application ML 51499-MP as to a 40-acre quarter/quarter section of trust land within Washington County (SE¹/4NW¹/4), Section 11, T43S, R16W, SLB&M). The Development Group was consulted about the application at the time and determined that there was no land-use conflict but has since determined that the application may conflict with the following described development projects:

One (1) acre m/l of Lots 85, 86, and 87 of the Bloomington Country Club Subdivision #7, recorded in Washington County; also, approximately 6.5 acres m/l included within State of Utah Development Lease 744, and depicted as DEVL 744 on a map attached to ML 51499-MP as Exhibit A.

The contract issued for ML 51499-MP has not been executed by the Trust Lands Administration. The approved acreage for the contract may, therefore, be amended to delete the conflicting development lands which total 7.5 acres. The approved acreage for ML 51499-MP will then total 32.5 acres. Advance rentals in the amount of \$70 paid upon the rejected acreage should be refunded to the applicant, Chamberlain Stone, C/O Kent Chamberlain, 942 South 960 East, St. George, UT 84790. Mr. Chamberlain has been advised of the matter and has agreed to delete the development acreage that is in conflict with his application. The Director's Minutes of October 13, 2008, should be amended to reject 7.5 acres of development land (as described hereinabove) from the approval of ML 51499-MP, and **refund \$70 rentals to the applicant.**

Upon recommendation of Mr. Blake, the Director approved the amendment and the rental refund.

PARTIAL ASSIGNMENT – OIL SHALE LEASE

Upon recommendation of Mr. Blake, the Director approved the partial assignment of the lease listed below to Shale Oil & Gas, LLC, 80-02 KEW Gardens Road, Suite 606, Kew Gardens, NY 11415, by Millenium Synfuels, LLC. No override. (New lease to be numbered ML 48806-A.)

ML 48806:

ML 48806
OWNERSHIP BEFORE ASSIGNMENT:
RECORD TITLE:
T12S, R21E, SLB&M. 1920.28 ACRES
SEC. 2: LOTS 1, 2, 3, 4, S½N½ S½ [ALL]
SEC. 16: ALL
SEC. 36: ALL
MILLENIUM SYNFUELS, LLC – 100%

OWNERSHIP AFTER ASSIGNMENT: RECORD TITLE: T12S, R21E, SLB&M. 1880.28 ACRES SEC. 2: LOTS 1, 2, 3, 4, S½N½, S½ [ALL] SEC. 16: ALL SEC. 36: N½, SE¼, NE⅓SW¼, S⅓SW¼ MILLENIUM SYNFUELS, LLC – 100%

ML 48806-A:
OWNERSHIP AFTER ASSIGNMENT:
RECORD TITLE:
T12S, R21E, SLB&M. 40.00 ACRES
SEC. 36: NW¹/₄SW¹/₄
SHALE OIL & GAS, LLC – 100%

....ML 48806 (SCH)....

<u>CORRECTION OF DIRECTOR'S MINUTES OF APRIL 25, 2008 – ML 51097 – METALLIFEROUS MINERALS (SCH)</u>

The Director, on April 25, 2008, approved the total assignment of the above-numbered lease to American Nuclear Fuels, II, LLC by Wave Uranium Holding, Inc. No override.

It has been found that this assignment should have, in fact, been approved as a partial assignment as set out below:

ML 51097:

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

<u>T26S, R16E, SLB&M.</u> 2516.32 ACRES

SEC. 2: LOTS 1(29.12), 2(29.10), 3(29.06),

4(29.04), S½N½, S½ [ALL]

SEC. 16: ALL

SEC. 32: ALL

SEC. 36: ALL

WAVE URANIUM HOLDING, INC. - 100%

ML 51097:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T26S, R16E, SLB&M. 1236.32 ACRES

SEC. 2: LOTS 1(29.12), 2(29.10), 3(29.06),

4(29.04), S½N½, S½ [ALL]

SEC. 36: ALL

WAVE URANIUM HOLDING, INC. – 100%

ML 51097-A:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T26S, R16E, SLB&M. 1280.00 ACRES

SEC. 16: ALL

SEC. 32: ALL

AMERICAN NUCLEAR FUELS II, LLC - 100%

....ML 51097(SCH)....

Upon recommendation of Mr. Stokes, the Director approved the above-listed correction.

AMENDMENT OF NAME FROM IUC COLORADO PLATEAU LLC TO DENNISON COLORADO PLATEAU LLC – ML 18301, ML 27247, AND ML 27248 (SCH) – METALLIFEROUS MINERALS

This office has received evidence that, effective April 23, 2007, IUC Colorado Plateau LLC amended their name to Dennison Colorado Plateau LLC, 1050-17th Street, Suite 950, Denver, CO 80265, covering the above-numbered leases.

This item was submitted by Mr. Stokes for record-keeping purposes only.

CORRECTION OF DIRECTOR'S MINUTES OF OCTOBER 13, 2008 – ML 47966 (SCH)

The Director, on October 13, 2008, approved an amendment of the above-numbered lease (amendment in bold and italic only). There were several errors in the acreages listed as follows (errors showing in bold, italic, and underlined):

Original description: T34S, R25E, SLB&M. 2051.96 ACRES
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SEC.	2: ALL	640.00 ACRES	SHOULD HAVE BEEN:	651.96 ACRES
~-~				

SEC. 16: ALL 640.00 ACRES SEC. 20: E½E½ 120.00 ACRES SEC. 32: ALL 640.00 ACRES

Corrected Legal

Description: T34S, R25E, SLB&M. 2091.86 ACRES SHOULD HAVE BEEN: 2091.96 ACRES

SEC. 2: ALL <u>640.00 ACRES</u> SHOULD HAVE BEEN: <u>651.96 ACRES</u>

SEC. 16: ALL 640.00 ACRES SEC. 20: E½E½ 160.00 ACRES SEC. 32: ALL 640.00 ACRES

Upon recommendation of Ms. Garrison, the Director approved the above-listed correction.

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT GP 21357-99 (ASSIGNMENT)

Alvie D. Atwood, 5292 South 1500 East, Vernal, UT 84078, has requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to William R. Robinson, P.O. Box 567, Jensen, UT 84035. The assignment fee in the amount of \$221.00 has been submitted. Uintah County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 21357-99.

GRAZING PERMIT NO. 22196-08 (NON-USE)

Gail Parker, P.O. Box 6067, Ibapah, UT 84034, has requested 100% non-use on GP 22196-08 due to dry spring and summer conditions. Non-use was verified by the Salt Lake BLM staff. The weed fee of \$24.00 and the non-use fee of \$20.00 have been paid. The grazing rental of \$109.20, paid April 21, 2008, will be credited to next year's billing. Tooele County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved non-use for GP 22196-08.

RANGE IMPROVEMENT PROJECTS

RANGE IMPROVEMENT PROJECT NO. RIP 274 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Division of Wildlife Resources ("DWR") 1594 W. North Temple Salt Lake City, UT 84116

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T14S, R9E, SLB&M Section 33: SE¹/₄SE¹/₄ Section 34: SW¹/₄

T15S, R9E, SLB&M

Section 5: NE¹/₄ Section 3: N¹/₂ Section 4: N¹/₂

COUNTY: Carbon FUND: School

REQUESTED/PROPOSED ACTION:

The applicant proposes to lop and scatter approximately 500 acres of pinyon and juniper which has encroached into various sagebrush openings and old chaining treatment sites. Cutting and scattering will all be done by hand. No vehicles will be used. No ground disturbance is anticipated. Slash will be lopped to less than 3 feet in height. The project will benefit big game and sage grouse.

RELEVANT FACTUAL BACKGROUND:

The applicant submitted a proposal for this range improvement project on August 28, 2006. They originally proposed to reseed the area, which would require them to rest the area from grazing for two years, but they had not discussed this with the permittee and staff was not willing to allow the project to proceed until all of the associated permittees had agreed to the arrangement. A permittee (Nick Sampinos) was initially reluctant to rest the allotment for two years. During the discussions between DWR (the applicant) and the permittee, DWR changed personnel twice, which further delayed things. Everyone is now supportive of the proposal and ready to proceed.

The project proposal was submitted to the Resource Development Coordinating Committiee ("RDCC") for review. RDCC responded with a letter that read, "[t]he State Planning Coordinator's Office has reviewed this proposal and has not received any comments..."

A search of Agency records was made to determine the status of the area involved. There are two easements and six mineral leases within the project area; however, due to the nature of the project, none of these will be affected. The grazing permittees of GP 15 and GP 12-05 were notified of the proposed projects by phone and are happy to see the project take place.

The project cost on trust lands is valued at \$17,500.00 (\$35.00/ acre). Because the applicant is not a lessee or permit holder on these lands, the project will not be eligible for amortization. Note: The life of the project (the benefit) is 15 years.

RANGE IMPROVEMENT PROJECT NO. RIP 274 (CONTINUED)

EVALUATION OF THE FACTS:

This range improvement is in compliance with R850-50-1100(5)(a) and (b). The project does enhance the value of the resources pursuant to R850-50-1100(5)(c).

Upon recommendation of Mr. Scott Chamberlain, the Director approved Range Improvement Project No. 274. This summary will constitute the Record of Decision.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5023 (RELEASE OF BOND)

On June 8, 2008, Right of Entry No. 5023 was approved for a temporary access road on trust land for access to the Moon Canyon #3, #4, and #5 Wells located on federal land. Because there would be some surface disturbance, a \$25,000.00 performance bond was requested and received from American Contractors Indemnity Company (Bond No. 10007620011). On October 1, 2008, a site visit was performed and the area had been satisfactorily reclaimed. Therefore, Bond No. 10007620011 in the amount of \$25,000.00 should be released to Royale Energy. Grand County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the release of Performance Bond No. 10007620011 in the amount of \$25,000.00.

EASEMENTS

EASEMENT NO. 1424 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

National Fuel Corporation 8400 East Prentice Avenue, Suite 1100 Greenwood Village, Colorado 80111

LEGAL DESCRIPTION:

Township 16 South, Range 24 East, SLB&M

Section 7: Lots 1 & 2 (within)

A 30 foot wide easement, 15 feet on each side of the following described centerline:

Beginning at a point on the west line of the NW¼NW¼ of Section 7, T16S, R24E, SLB&M, which bears S 00°06′09" E 857.48 feet from the northwest corner of said Section 7, thence S 35°01′01" E 162.26 feet; thence S 59°05′01" E 188.76 feet; thence S 62°47′01" E 207.29 feet; thence S 56°00′23" E 205.72 feet; thence S 38°54′23" E 203.87 feet; thence S 25°57′07" E 196.93 feet; thence S 09°26′33" E 199.11 feet; thence S 08°45′59" E 197.19 feet; thence S 14°17′20" E 205.63 feet; thence S 18°54′32" E 135.97 feet to a point in the SW¼NW¼ of said Section 7 which bears S 22°41′11" E 2549.32 feet from the northwest corner of said Section 7. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 1.310 acres more or less.

COUNTY: Grand ACRES: 1.310 FUND: School

EASEMENT NO. 1424 (APPROVAL) (CONTINUED)

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a 3-inch diameter surface natural gas gathering pipeline. This pipeline will be used to service the Horse Point State #13-1 Well and will transport gas produced from the well to the existing Energy Transfer Partners pipeline (ESMT 917) at the south end of the proposed easement. The pipeline will parallel an existing access road. The proposed easement corridor is 1,902.73 feet long and 30 feet wide, containing 1.31 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The proposed easement was exempt from review by the Resource Development Coordinating Committee ("RDCC") since it is a surface gathering pipeline less than four inches in diameter.

The project area has been surveyed for cultural resources by Grand River Institute (U-08-GB-0897s). No significant sites were found within the project area. The Trust Lands Administration's staff archaeologist has reviewed this survey and has granted cultural clearance with a finding of "No Historic Properties Affected."

A paleontological survey of the project area was conducted by Intermountain Paleo-Consulting (Report No. 08-104). No fossils were found within the project area and it was recommended that no paleontological restrictions be placed on the project. The Trust Lands Administration's staff paleontologist has reviewed this survey and concurs with its recommendations.

The proposed pipeline will be constructed within an area that is currently leased for tar sand by Earth Energy Resources (ML 49927-OBA). Earth Energy Resources is currently developing a large mining plan for the area; therefore, it was recommended by the Trust Lands Administration's minerals staff that the easement applicant inform the tar sands lessee of their plans to construct this pipeline and ensure that the placement of the pipeline would not interfere with the lessee's plans. The following statement was submitted by the tar sands lessee:

"Thank you for notification of your planned pipeline easement in Section 7: Lots 1 & 2, Township 16 South, Range 24 East, SLB&M. Earth Energy Resources has no objection to the location of this pipeline and it will not interfere with our operations in the area."

EVALUATION OF FACTS:

- 1. The proposed easement is not located entirely on trust lands.
- 2. The proposed easement term is for a period of 30 years.
- 3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
- 4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1424 for a term of 30 years beginning November 1, 2008, and expiring October 31, 2038, with the easement fee being \$2,191.02 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement with the first payment being due on January 1, 2011.

EASEMENT NO. 1364 AMENDMENT NO. 1 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

XTO Energy, Inc. P.O. Box 1360 978 North Crescent Roosevelt, Utah 84066

LEGAL DESCRIPTION:

Township 10 South, Range 19 East, SLB&M Section 16: N½S½, SW¼SW¼ (within)

A 30 foot wide easement, being 15 feet on each side of its centerline, along with an additional 45 foot wide temporary easement for construction purposes. The centerline being more particularly described as follows:

Beginning at a point on the east line of the NE¼SE¼ of Section 16, T10S, R19E, SLB&M, which bears S 01°52′39" E 382.69 feet from the east ¼ corner of said Section 16, thence S 73°38′30" W 748.12 feet; thence S 74°19′59" W 605.13 feet; thence S 82°47′44" W 328.70 feet; thence S 82°40′13" W 472.69 feet; thence S 73°29′57" W 502.42 feet; thence S 60°58′16" W 286.18 feet; thence S 78°45′33" W 691.85 feet; thence N 10°56′54" W 81.94 feet; thence S 78°45′55" W 255.72 feet; thence S 76°43′32" W 443.40 feet; thence S 82°40′16" W 360.67 feet; thence S 89°43′28" W 444.03 feet; thence S 80°56′41" W 298.03 feet to a point on the west line of the SW¼SW¼ of said Section 16 which bears N 01°43′46" W 1253.95 feet from the southwest corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Also including a temporary easement for the use of an existing access road located within the W½SW¼ of Section 16, Township 10 South, Range 19 East, for the construction phase of the project. Basis of bearings is a G.P.S. observation. Contains 3.801 acres more or less.

COUNTIES: Uintah ACRES: 3.801 FUND: School

PROPOSED ACTION:

The grantee proposes to amend Easement No. 1364 to allow for the installation of a 20-inch diameter buried natural gas pipeline instead of the 12-inch buried natural gas pipeline that was originally authorized under Easement No. 1364. The grantee has determined that the capacity of the pipeline will need to be increased in order to meet demands from producers in the area; therefore, it is necessary to install a larger pipeline than originally requested. The 12-inch pipeline that was previously authorized has not been constructed. The easement corridor will remain unchanged at 5,518.88 feet long and 30 feet wide, containing 3.801 acres, along with an additional 45 foot wide temporary construction easement for use during the construction phase of the project. The term of the easement will remain 20 years, with the expiration date remaining June 30, 2028.

RELEVANT FACTUAL BACKGROUND:

Easement No. 1364 was issued effective July 1, 2008, for the purpose of constructing, operating, repairing, and maintaining a 12-inch diameter buried natural gas pipeline. The easement corridor was 5,518.88 feet long and 30 feet wide, containing 3.801 acres. The term of the easement was 20 years, with an expiration date of June 30, 2028.

The easement corridor was previously reviewed by the Resource Development Coordinating Committee ("RDCC") under the original easement application and all comments submitted by the RDCC were addressed at that time. Since the primary usage and location of the easement corridor are not changing, this amendment was exempt from review by the RDCC.

EASEMENT NO. 1364 AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

The easement corridor was previously surveyed by Montgomery Archaeological Consultants (U-06-MQ-0657b,i,p,s) with a finding of "No Historic Properties." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the proposed project and concur with this finding.

The corridor was also previously surveyed for paleontological resources by Alden H. Hamblin. No fossils were discovered along the course of the proposed pipeline and no paleontological restrictions were recommended for the project. If fossil materials are discovered during construction, a qualified paleontologist should be notified immediately to evaluate the discovery.

EVALUATION OF FACTS:

- 1. The proposed easement amendment is not located entirely on trust lands.
- 2. The term of the easement will not be affected and remains at 20 years from the effective date of the original easement.
- 3. The applicant has paid the School and Institutional Trust Lands Administration the \$400.00 amendment fee required pursuant to R850-4-200.
- 4. The applicant has paid the School and Institutional Trust Lands Administration an additional easement fee in the amount of \$5,351.64 as required pursuant to R850-40-600.
- 5. The proposed easement amendment will not have an unreasonably adverse affect on the developability or marketability of the subject property.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1364, Amendment No. 1. The required \$400.00 amendment fee and \$5,351.64 easement fee have been paid.

EASEMENT NO. 789 (RELINQUISHMENT)

BACKGROUND/REQUESTED ACTION:

PacifiCorp, DBA Rocky Mountain Power, 1407 W. North Temple, Suite 110, Salt Lake City, Utah, 84116, submitted a letter dated October 24, 2008, stating that they desire to relinquish Easement No. 789 (formerly BLM UTU-10333).

This easement was originally issued by the Bureau of Land Management ("BLM") on January 5, 1970, with a reference number of UTU-10333. The purpose of the easement was for a 12.5 kV distribution power line. Administration of a portion of the BLM grant was transferred to the Trust Lands Administration as a result of the West Desert Land Exchange on January 19, 2001. The portion of the BLM grant transferred to the Trust Lands Administration was assigned the reference number Easement No. 789.

The grantee has stated that the power line was never constructed and the right of way has been deemed unnecessary. They now desire to relinquish all of their rights and responsibilities held under this easement and have requested that the Trust Lands Administration terminate the easement.

EASEMENT NO. 789 (RELINQUISHMENT) (CONTINUED)

LEGAL DESCRIPTION:

Township 1 North, Range 8 West, SLB&M

Section 3: Lot 3, SE¹/₄NW¹/₄, E¹/₂SW¹/₄ (within)

Section 10: E½W½ (within)
Section 15: E½W½ (within)
Section 22: E½W½ (within)
Section 27: NE¼NW¼ (within)

Township 2 North, Range 8 West, SLB&M

Section 34: E½W½ (within)

COUNTY: Tooele ACRES: 15.61 FUND: School

Upon recommendation of Mr. Chris Fausett, the Director approved the relinquishment and termination of Easement No. 789.

SPECIAL USE LEASE AGREEMENTS

SPECIAL USE LEASE NO. 1587 (APPROVAL)

APPLICANT'S NAME AND ADDRESS

Ault Farms, LLC c/o Howard Ault 510 North 110 East American Fork, UT 84003

LEGAL DESCRIPTION:

Township 7 South, Range 3 West, SLB&M

Section 2: Lot 1

COUNTY: Utah ACRES: 39.37 FUND: School

LEASE TYPE: AGR

PROPOSED ACTION:

Issue an agricultural special use lease for the purpose of cultivation of dry land wheat and other non-irrigated crops suitable for soils and climate of the subject property. These crops will typically be cultivated every other year and the subject property will remain fallow the remaining years. The lessee may use any portion of the subject property not used for cultivation of dry land wheat and other non-irrigated crops for the grazing of livestock and the storage of such implements as may be required for the cultivation and harvesting of dry land wheat and other non-irrigated crops. Fencing the property may be allowed. This will be a continuation of an existing activity, replacing SULA 777.

RELEVANT FACTUAL BACKGROUND:

The application for a lease was received on March 1, 2008. The Director accepted the application on March 25, 2008.

A public notice was published according to rule and sent to all existing permittees, lessees, and adjoining landowners. No competing applications or comments were received. Because this is a continuation of an existing practice on the ground, the application was not submitted for review by the Resource Development Coordinating Committee ("RDCC"). Notice was sent to the Mountain Association of Governments and Utah County.

SPECIAL USE LEASE NO. 1587 (APPROVAL) (CONTINUED)

Since this lease is a continuation of an existing activity on the subject property, an archaeological survey was deemed unnecessary by the Agency's staff cultural specialist.

EVALUATION OF FACTS:

The applicant submitted a bid proposal for SULA 1587 in the amount of \$530.00. The application is for 39.37 acres. The bid amount equals \$13.46 per acre. The value of the subject property is estimated to be \$2,000.00 per acre for a total value of \$78,740.00. This amount, multiplied by the accepted rate of 5%, is considerably greater than the amount bid by the applicant. Pursuant to Utah Admin. Code R850-30-400(2), the applicant's bid of \$530.00 per year can only be accepted if a clause is included in the lease document allowing the Agency to terminate the lease prior to the expiration of its term if such is determined to be in the best interest of the Beneficiaries. As the applicant's offer of \$530.00 per year is equal to or greater than comparable agricultural lease rates, and the applicant has agreed to a termination clause, the applicant's bid of \$530.00 per year is, therefore, deemed to satisfy R850-30-400(2).

The fees which are due prior to the issuance of a lease are as follows:

Application fee:	\$	250.00
Advertising	\$	300.00
Lease processing	\$	700.00
First Year's Rental	\$	530.00
Total	\$1	,780.00

As there were no competing applications, this action does not warrant the time and expense necessary to complete a full narrative record. Based on this evaluation, this summary will constitute the record of decision.

Upon recommendation of Mr. Scott Chamberlain, the Director approved SULA 1587 for a term of 20 years, with a beginning date of January 1, 2008, and an expiration date of January 31, 2027. The lease will contain language increasing the rental to \$550 as of January 1, 2009, and allowing for a rental review at the end of the first four-year period of the lease (i.e. effective January 1, 2012) and every three years thereafter. The lease will also contain a termination clause allowing for the termination of the lease with a two-year written notice.

SPECIAL USE LEASE AGREEMENT NO. 1545 (RECLAMATION BOND)

Enduring Resources LLC, 475 – 17th Street, Suite 1500, Denver, CO 80202, has submitted Corporate Surety Bond No. RLB0012227 in the amount of \$5,000.00, effective October 20, 2008. The bonding company is RLI Insurance Company, 8 Greenway Plaza, #400, Houston, TX 77046. The bond will remain in force and effect until released by Trust Lands Administration. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1545.

SPECIAL USE LEASE AGREEMENT NO. 1590 (RECLAMATION BOND)

Enduring Resources LLC, 475 – 17th Street, Suite 1500, Denver, CO 80202, has submitted Corporate Surety Bond No. RLB0012226 in the amount of \$5,000.00, effective October 20, 2008. The bonding company is RLI Insurance Company, 8 Greenway Plaza, #400, Houston, TX 77046. The bond will remain in force and effect until released by Trust Lands Administration. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1590.

SALES

PRE SALE NO. 7798 (HEAD OF GORDON CREEK – PARCEL A)

Public Pre Sale No. <u>7798</u> Sale Price: \$24,000.00

Certificate of Sale No. <u>26483</u>

Date of Sale: October 10, 2008

Terms: 10% down, 20-year contract at a variable interest rate (7.5% the fir

variable interest rate (7.5% the first year), with payments being due annually

on November 1, beginning

November 1, 2009

TO WHOM SOLD AND ADDRESS:

 Roger B. & Carrie L. Christensen
 Down payment:
 \$2,400.00

 4634 W. 4350 S.
 Interest to Nov. 1, 2008:
 93.21

 West Haven, UT 84401
 Appraisal cost:
 766.66

Appraisal cost: 766.66
Cultural resource survey: 685.00
Sale processing charge: 500.00
Application fee: 250.00
TOTAL: \$4,694.87

LEGAL DESCRIPTION:

Township 13 South, Range 8 East, SLB&M

Section 17: NE¹/₄NW¹/₄

NUMBER OF ACRES BY COUNTY: 40.00 - Carbon

NUMBER OF ACRES BY FUND: 40.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

Reserving to the State of Utah, School and Institutional Trust Lands Administration all interest in Mineral Lease No. 48361 for Oil, Gas and Hydrocarbon, issued to Petro-Canada Resources (USA) Inc.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record.

PRE SALE NO. 7798 (HEAD OF GORDON CREEK – PARCEL A) (CONTINUED)

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, including rights of possession, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Kurt Higgins

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8155-B (CHOKE CHERRY CREEK)

Public Pre Sale No. 8155-B Sale Price: \$245,000.00

Certificate of Sale No. 26484 Terms: 24% down, 20-year contract at a Date of Sale: October 10, 2008

variable interest rate (7.5% the first

year)

TO WHOM SOLD AND ADDRESS:

Richard J. Kreznar & Nancy Lew Lee Down payment: \$59,500.00 as Tenants in Common Interest to Nov. 1, 2008: 797.65 214 Mauer Rd. Appraisal cost: 2,250.00 Callicorn Center, NY 12724 Cultural resource survey: 3,000.00 Sale processing charge: 500.00

Application fee: 250.00 TOTAL: \$66,297.65

LEGAL DESCRIPTION:

Township 31 South, Range 20 West, SLB&M

Section 36: E½

Together with 50% interest in Water Right No. 19-240, a diligence claim for point-to-point stock watering (50 stock units) on Choke Cherry Creek.

NUMBER OF ACRES BY COUNTY: 320.00 - Iron

NUMBER OF ACRES BY FUND: 320.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

PRE SALE NO. 8155-B (CHOKE CHERRY CREEK) (CONTINUED)

LIST SURFACE RESERVATIONS:

There is reserved to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted archaeological sites on the parcel.

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record, including:

- 1. Easement No. 80, issued to the Bureau of Land Management for a stock-watering pipeline.
- 2. Easement No. 1005, issued in perpetuity to Iron County for an existing road through the parcel. This road is open to OHV use and is part of an open trail system.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Lou Brown

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8377 (FREMONT JUNCTION)

Public Pre Sale No. <u>8377</u> Sale Price: \$56,250.00

Certificate of Sale No. 26485 Terms: 10% down, 20-year contract at a

Date of Sale: October 10, 2008 variable interest rate (7.5% the first year)

TO WHOM SOLD AND ADDRESS:

 Paul & Dixie Lyman
 Down payment:
 \$5,625.00

 830 W. 625 S.
 Interest to Nov. 1, 2008:
 217.69

Richfield, UT 84701

Appraisal cost: 2,395.00
Cultural resource survey: 0.00
Sale processing charge: 500.00
Application fee: 250.00

TOTAL: \$8,987.69

LEGAL DESCRIPTION:

Township 23 South, Range 5 East, SLB&M Section 34: E½NE¼SW¼, N½N½NE¼SE¼SW¼

NUMBER OF ACRES BY COUNTY: 22.50 - Sevier

NUMBER OF ACRES BY FUND: 22.50 - School

PRE SALE NO. 8377 (FREMONT JUNCTION) (CONTINUED)

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record, including:

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Lou Brown

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8379 (WHITE CLIFFS)

Public Pre Sale No. 8379 Sale Price: \$16,000.00

Certificate of Sale No. <u>26486</u> Terms: Cash

Date of Sale: October 10, 2008

TO WHOM SOLD AND ADDRESS:

Roger B. & Carrie L. Christensen

4634 W. 4350 S.

West Haven, UT 84401

Appraisal cost: 2,000.00

Cultural resource survey: 0.00

Sale processing charge: 500.00

Application fee: 250.00

Application fee: 250.00
TOTAL: \$18,750.00

LEGAL DESCRIPTION:

Township 32 South, Range 17 West, SLB&M

Section 2: SE¹/₄SE¹/₄

PRE SALE NO. 8379 (WHITE CLIFFS) (CONTINUED)

NUMBER OF ACRES BY COUNTY: 40.00 - Iron

NUMBER OF ACRES BY FUND: 40.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

Reserving to the State of Utah, School and Institutional Trust Lands Administration all interest in Mineral Lease No. 51495 for Metalliferous Minerals, issued to O. Jay Gatten.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Lou Brown

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8381 (MEACHUM RIDGE)

Sale Price: \$391,230.00 Public Pre Sale No. 8381

Certificate of Sale No. 26487 Terms: 10% down, 20-year contract at a Date of Sale: October 10, 2008

variable interest rate (7.5% the first

vear)

TO WHOM SOLD AND ADDRESS:

Ryan & Tiffany Foutz 226 Deerhollow Circle North Salt Lake, UT 84054

Down payment: \$39,123.00 Interest to Nov. 1, 2008: 1,519.37 Appraisal cost: 2,000.00 Cultural resource survey: 4,000.00 Sale processing charge: 500.00 Application fee: 250.00 TOTAL: \$47,392,37

LEGAL DESCRIPTION:

Township 8 North, Range 6 East, SLB&M Section 32: Lots1-4, N¹/₂, N¹/₂S¹/₂ (All)

NUMBER OF ACRES BY COUNTY: 630.00 - Rich

NUMBER OF ACRES BY FUND: 630.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portion of GP 21699-01

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record, including:

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, including rights of possession, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Gary Bagley

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

\$64,250.00

PRE SALE NO. 8417 (LEAMINGTON SOUTH)

Public Pre Sale No. <u>8417</u> Sale Price: \$61,000.00 Certificate of Sale No. 26488 Terms: Cash sale

Date of Sale: October 10, 2008

TO WHOM SOLD AND ADDRESS:

Irina G. Abolnik

8018 S. Mountain Oaks Dr.

Salt Lake City, UT 84121

Appraisal cost:

Cultural resource survey:

1,500.00

Sale processing charge:

4pplication fee:

500.00

Application fee:

250.00

TOTAL:

LEGAL DESCRIPTION:

Township 16 South, Range 4 West, SLB&M

Section 2: Lots 4, 5, SW¹/₄NE¹/₄

NUMBER OF ACRES BY COUNTY: 104.00 - Millard

NUMBER OF ACRES BY FUND: 104.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portion of GP 23178

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

LIST SURFACE RESERVATIONS:

Reserving to the Trust Lands Administration all interest in Special Use Lease Agreement No. 1458, issued to Unavco Inc., for a small GPS site near the road.

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record, including:

1. Easement No. 1422, issued in perpetuity to Millard County, for a road through the property.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

PRE SALE NO. 8417 (LEAMINGTON SOUTH) (CONTINUED)

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Lou Brown

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8429 (ROE CREEK)

Public Pre Sale No. <u>8429</u> Sale Price: \$457,400.00

Certificate of Sale No. <u>26489</u> Terms: 10% down, 20-year contract at a

variable interest rate (7.5% the first

year)

TO WHOM SOLD AND ADDRESS:

Date of Sale: October 10, 2008

 J.B. Ranch, Inc.
 Down payment:
 \$45,740.00

 P.O. Box 240130
 Interest to Nov. 1, 2008:
 1,776.34

 San Antonio, TX 78224
 Appraisal cost:
 2,583.33

 Cultural resource survey:
 2,715.00

 Sale processing charge:
 500.00

Application fee: 250.00 TOTAL: \$53,564.67

LEGAL DESCRIPTION:

Township 26 South, Range 26 East, SLB&M

Section 32: N¹/₂NE¹/₄, SE¹/₄NE¹/₄, SE¹/₄, S¹/₂SW¹/₄, NW¹/₄SW¹/₄, NE¹/₄NW¹/₄

NUMBER OF ACRES BY COUNTY: 160.00 - Grand

280.00 - San Juan

NUMBER OF ACRES BY FUND: 440.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portion of GP 20132

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

Reserving to the State of Utah, School and Institutional Trust Lands Administration all interest in Mineral Lease No. 48368, issued to Cabot Oil & Gas Corp. for Oil, Gas and Hydrocarbon.

PRE SALE NO. 8429 (ROE CREEK) (CONTINUED)

LIST SURFACE RESERVATIONS:

There is reserved to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted archaeological sites on the parcel.

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Bryan Torgerson

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8434 (PETER'S HILL)

Public Pre Sale No. <u>8434</u> Sale Price: \$70,000.00

Certificate of Sale No. <u>26490</u>

Date of Sale: October 10, 2008

Terms: 10% down, 20-year contract at a variable interest rate (7.5% the first

variable interest rate (7.5% the file year)

TO WHOM SOLD AND ADDRESS:

 Karl & Paula Knapp
 Down payment:
 \$ 7,000.00

 20151 State Route 89
 Interest to Nov. 1, 2008:
 270.90

 Markleeville, CA 96120
 Appraisal cost:
 2,583.33

Cultural resource survey: 3,500.00
Sale processing charge: 500.00
Application fee: 250.00
TOTAL: \$14.104.23

LEGAL DESCRIPTION:

Township 31 South, Range 23 East, SLB&M

Section 36: S½SW¼

NUMBER OF ACRES BY COUNTY: 80.00 - San Juan

NUMBER OF ACRES BY FUND: 80.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portion of GP 22000-02

PRE SALE NO. 8434 (PETER'S HILL) (CONTINUED)

LIST MINERAL RESERVATIONS:

Reserving to the State of Utah all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits; also,

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

Reserving to the State of Utah, School and Institutional Trust Lands Administration all interest in Mineral Lease No. 49674 for Oil, Gas and Hydrocarbon, issued to Craig S. Settle.

Reserving to the State of Utah, School and Institutional Trust Lands Administration all interest in Mineral Lease No. 50488 for Metalliferous Minerals, issued to John Allen Corley Trust.

LIST SURFACE RESERVATIONS:

There is reserved to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted archaeological sites on the parcel.

Subject to an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees, and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Sale is subject to the statutes and administrative rules of the School and Institutional Trust Lands Administration and no sale is final and no rights, **including rights of possession**, shall vest in the purchaser until final execution and delivery of the Certificate of Sale or Patent.

RESPONSIBLE STAFF MEMBER: Bryan Torgerson

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PROPERTIES OFFERED AT AUCTION BUT UNSOLD

The following properties were offered for sale at public auction on October 10, 2008, but were not sold:

PS 7595 (Lapoint)

Township 5 South, Range 19 East, SLB&M Uintah County School Fund

Section 21: SW¹/₄SE¹/₄

Comment: No bids were submitted for this property.

PROPERTIES OFFERED AT AUCTION BUT UNSOLD (CONTINUED)

PS 7799 (Head of Gordon Creek – Parcel B)

Township 13 South, Range 8 East, SLB&M Carbon County School Fund

Section 17: SW1/4NE1/4

Comment: The high bid amount was \$12,050.00. This amount did not meet the minimum acceptable selling price.

PS 8320-B (Otter Creek – Parcel 4)

Township 30 South, Range 2 West, SLB&M Piute County School Fund

Section 2: Lot 4 (NW¹/₄NW¹/₄)

Comment: The high bid amount was \$15,000.00. This amount did not meet the minimum acceptable selling price.

PS 8411-A (Brian Head – Parcel A)

Township 36 South, Range 9 West, SLB&M Iron County School Fund

Section 2: All of Sectional Lot 13

Comment: No bids were submitted for this property.

PS 8411-B (Brian Head – Parcel B)

Township 36 South, Range 9 West, SLB&M Iron County School Fund

Section 2: All of Sectional Lot 14

Comment: No bids were submitted for this property.

PS 8411-C (Brian Head – Parcel C)

Township 36 South, Range 9 West, SLB&M Iron County School Fund

Section 2: All of Sectional Lot 15

Comment: No bids were submitted for this property.

PS 8411-D (Brian Head – Parcel D)

Township 36 South, Range 9 West, SLB&M Iron County School Fund

Section 2: That portion of Sectional Lot 16, lying west of State Highway U-143, more particularly described as follows:

Beginning at the Northwest Corner of Section 2, Township 36 South, Range 9 West, SLB&M (Iron County Survey); thence S 89°06'32" E along the section line 418.20 feet to the westerly right-of-way line of State Highway U-143; thence S 44°37'01" E along said westerly right-of-way line 56.27 feet; thence N 89°28'53" W 457.99 feet to the west line of said Section 2; thence N 0°25'00" E along the section line 42.41 feet to the point of beginning.

Comment: No bids were submitted for this property.

PROPERTIES OFFERED AT AUCTION BUT UNSOLD (CONTINUED)

PS 8445 (Brian Head – Parcel E)

<u>Township 35 South, Range 9 West, SLB&M</u> Iron County School Fund

Section 34: Lot 12, Mountair Evergreen Estates Unit A Block F

Comment: No bids were submitted for this property.

PS 8414-A (Johnson Canyon – Parcel A)

Township 43 South, Range 5 West, SLB&M Kane County School Fund

Section 2: Lot 4 (NW¹/₄NW¹/₄)

Comment: No bids were submitted for this property.

PS 8414-B (Johnson Canyon – Parcel B)

<u>Township 43 South, Range 5 West, SLB&M</u>

Kane County

School Fund

Section 2: SW1/4

Comment: No bids were submitted for this property.

PS 8428 (Sinbad Ridge)

Township 26 South, Range 26 East, SLB&M Grand County School Fund

Section 16: W½ (All)

Comment: No bids were submitted for this property.

Records should be updated to show these properties were offered. These properties may be offered again at a future auction in 2009 or 2010.

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

TIMBER APPLICATION NO. 843 (CHRISTMAS TREE CONTRACT APPROVAL)

Tavish Edwards, P.O. Box 1818, Beaver, UT 84713, has submitted an application for a Director's sale contract to cut 90 Christmas trees. The Christmas trees are to be sold for \$10.00 per tree. The applicant has submitted a check for \$900.00 plus a \$100.00 application fee. School Fund. Iron and Sanpete Counties.

This action was submitted to the Resource Development Coordinating Committee ("RDCC") for review on September 8, 2008. RDCC responded in an email sent October 6, 2008, stating that "[t]he State Planning Coordinator's Office has reviewed this proposal and has not received any comments from State agencies to date." The Five County Association of Governments recommended "approval." However, Iron County submitted a letter stating that "we have no objections to either action, but ask that if undue damage to county roads occurs, due to wet conditions during the Christmas tree harvest operations, the County Road Department be notified by the applicant."

TIMBER APPLICATION NO. 843 (CHRISTMAS TREE CONTRACT APPROVAL) (CONTINUED)

Township 17 South, Range 1 East, SLB&M Section 9: N½SE¼, NE¼SW¼ Section 10: NW¼SW¼, SW¼SW¼, W½NW¼ Section 15: N½SW¼ Section 16: W½NW¼, NW¼NE¼, SE¼NE¼, NE¼SE¼, S½SW¼, SW¼SE¼	Fund School School School	County Sanpete Sanpete Sanpete Sanpete			
Township 31 South, Range 6 West, SLB&M					
Section 8: All	School	Iron			
Section 9: All	School	Iron			
Section 14: All	School	Iron			
Section 15: N ¹ / ₂ NE ¹ / ₄ , N ¹ / ₂ NW ¹ / ₄ , SE ¹ / ₄ NE ¹ / ₄ , SW ¹ / ₄ , SW ¹ / ₄ SE ¹ / ₄	School	Iron			
Section 17: All	School	Iron			
Section 21: All	School	Iron			
Section 22: All	School	Iron			
Section 23: All	School	Iron			
Township 34 South, Range 8 West, SLB&M					
Section 36: E½, E½W½, SW¼SW¼	School	Iron			
Upon recommendation of Mr. Ron Torgerson, the Director approved Timber Application No. 843.					

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALES

THE FOLLOWING SALES HAVE BEEN EXECUTED AND PATENTS ISSUED FOR:

SUBD 10.0 Highland Park Phase 1 Subdivision.

These transactions have been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 42.0 S, Range 14.0 W, SLBM Section 7, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC. 2303 N. CORAL CANYON BLVD. SUITE 200 ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 252	26377-10-252	10/20/08	19928-10-252	07/07/06	\$14,039.71	\$20.00	0.21	SCH	7
Lot 93	26377-10-93	10/20/08	19928-10-93	07/07/06	\$16,694.88	\$20.00	0.17	SCH	18

DEVELOPMENT SUBDIVISION SALES--HIGHLAND PARK PHASE 1 SUBDIVISION (CONTINUED)

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute; also,

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Andrea L. James.

DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 8401)

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED:

CERTIFICATE OF SALE NO.: 26466

CERTIFICATE/DATE OF SALE: August 28, 2008

PATENT NO.: 20114

PATENT DATE: September 15, 2008

PROJECT: South Block Plant Preserves

PROJECT MANAGER: Doug Buchi PROJECT CODE: SOBLK 005 00

FUND: School

SALE PRICE: \$444,000.00 BOARD APPROVAL: March 20, 2008

BUYER:

THE NATURE CONSERVANCY 559 East South Temple Salt Lake City, Utah 84102

TRANSACTIONAL CONTEXT:

The Trust Lands Administration previously entered into a Letter of Intent to create land preserves for Federally-listed endangered plants on its South Block property in Washington County. In this Letter of Intent, the Trust agreed to hold parcels of the Dwarf Bear Poppy habitat in the White Dome area available for purchase by The Nature Conservancy. The Nature Conservancy ("TNC") has agreed to purchase 135 acres for use as Dwarf Bear Poppy habitat preserve; TNC has agreed that this property will remain open space. An easement for a public use hiking trail on 4.89 acres is reserved to the Trust Lands Administration.

LEGAL DESCRIPTION OF SALE PARCEL:

Township 43 South, Range 15 West, SLB&M

Sections 28, 29, 32 & 33: (within)

DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 8401) (CONTINUED)

BEGINNING AT A POINT ON THE CENTER SECTION LINE OF SECTION 29, TOWNSHIP 43 SOUTH, RANGE 15 WEST, SALT LAKE BASE & MERIDIAN, SAID POINT BEING S01°09'37"W 2762.50 FEET FROM THE NORTH 1/4 CORNER OF SAID SECTION 29; THENCE S80°31'41"E 674.43 FEET; THENCE \$70°26'44"E 621.41 FEET; THENCE \$36°56'49"E 2870.05 FEET; THENCE \$65°29'18"W 861.34 FEET TO THE EASTERLY MOST CORNER OF THE EAST POPPY MITIGATION PARCEL AS RECORDED IN THE OFFICE OF THE WASHINGTON COUNTY RECORDER AS RECORD #20070056627; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID EAST POPPY MITIGATION PARCEL THE FOLLOWING 29 COURSES: N47°23'28"W 394.13 FEET; THENCE N12°22'41"E 336.80 FEET; THENCE N34°32'23"W 62.77 FEET; THENCE N36°54'12"W 3.70 FEET; THENCE N60°05'51"W 240.63 FEET; THENCE N33°00'33"W 315.94 FEET; THENCE N32°13'02"W 121.33 FEET; THENCE N49°23'04"W 108.20 FEET; THENCE \$85°01'13"W 54.52 FEET; THENCE \$87°49'39"W 172.01 FEET; THENCE \$88°17'56"W 227.50 FEET; THENCE N73°55'14"W 165.12 FEET; THENCE N73°53'21"W 99.85 FEET; THENCE N73°54'10"W 100.63 FEET; THENCE N73°51'18"W 99.70 FEET; THENCE N73°52'56"W 99.88 FEET; THENCE N73°53'15"W 100.26 FEET; THENCE N73°52'03"W 99.41 FEET; THENCE N73°54'52"W 100.53 FEET; THENCE N73°49'32"W 99.79 FEET; THENCE N73°56'26"W 99.71 FEET; THENCE N73°52'57"W 38.75 FEET; THENCE N79°47'57"W 30.67 FEET; THENCE N79°52'56"W 199.69 FEET; THENCE N79°51'38"W 299.67 FEET; THENCE N79°53'17"W 48.74 FEET; THENCE N87°25'39"W 263.74 FEET; THENCE N72°35'37"W 159.48 FEET; THENCE N89°43'04"W 493.42 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF RIVER ROAD AS SHOWN ON THE RIVER ROAD EXTENTION ROADWAY DEDICATION PLAT AS FILED IN THE OFFICE OF THE WASHINGTON COUNTY RECORDER AS DOCUMENT #20070050838, SAID POINT ALSO BEING ON THE ARC OF A 870.18 FOOT RADIUS CURVE TO THE RIGHT, RADIUS POINT BEARS N62°07'03"E; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE A DISTANCE OF 230.44 FEET THROUGH A CENTRAL ANGLE OF 15°10'23"; THENCE LEAVING SAID EAST RIGHT OF WAY LINE AND RUNNING N28°46'56"E 202.10 FEET; THENCE N89°35'01"E 226.17 FEET; THENCE N01°11'09"E 813.38 FEET; THENCE N88°41'44"W 357.91 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF SAID RIVER ROAD; THENCE N00°16'15"E ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 319.74; THENCE LEAVING SAID EAST RIGHT-OF-WAY LINE AND RUNNING S88°44'53"E 282.10 FEET; THENCE S80°31'41"E 1416.69 FEET TO THE POINT OF BEGINNING.

CONTAINING 135.00 ACRES, MORE OR LESS.

NUMBER OF ACRES BY COUNTY: 135.00 acres - Washington County

NUMBER OF ACRES BY FUND: 135.00 acres - School

MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah for the benefit of the State and its successor in interest, assigns, permittees, licenses and lessees from time to time, all coal, oil and gas and other mineral deposits, along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

SURFACE RESERVATIONS:

Excepting and reserving to the State of Utah, by and through the School and Institutional Trust Lands Administration, and its successors in interest, assigns, permittees, licensees and lessees in perpetuity, for the benefit of the general public, a trail easement generally depicted as "Hiking Trails" in Exhibit "B" attached hereto and incorporated by reference (the "Trail Easement'), which Trail Easement shall be ten (10) feet in width, shall encompass a single track, natural surface trail, and shall be for pedestrian use only, and subject to the conditions in that certain Certificate of Sale No. 26466 regarding said trail; also,

DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 8401) (CONTINUED)

Subject to a reversionary interest held by the State of Utah as follows: In the event the State of Utah, by and through the School and Institutional Trust Lands Administration or its successor agency, pursuant to the above described mineral reservation, shall exercise the right to permit its successors in interest, assigns, permittees, licensees or lessees to prospect for, mine or remove any mineral deposits in such a manner as to defeat the ecological purposes for which The Nature Conservancy is acquiring the property described herein; or if for any other reason the ecological purposes put forth in that certain Certificate of Sale No. 26466 for which the Nature Conservancy is acquiring the property cease to exist; then, at written election of The Nature Conservancy, or its successor, assign title to and ownership and possession of the property described herein shall revert to the State of Utah, by and through the School and Institutional Trust Lands Administration or its successor agency; also

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

This item was submitted for record-keeping purposes by Andrea L. James.

RIGHT OF ENTRY 5255 – CITY OF ST. GEORGE

THE FOLLOWING RIGHT OF ENTRY HAS BEEN EXECUTED:

RIGHT OF ENTRY NO.: 5255

PROJECT: South Block
PROJECT CODE: SOBLK 000 00
PROJECT MANAGER: Brent Bluth

DATE OF TRANSACTION: September 29, 2008

COUNTY: Washington FUND: School

COMMENCEMENT: September 29, 2008 EXPIRATION: December 29, 2008

ADMINISTRATION FEE: \$350.00

PERMITTEE:

DIXIE ESCALANTE ELECTRIC 71 E. Highway 56 Beryl, UT 84714

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration has issued a temporary easement for the construction to remove an existing power line because it traverses ideal Astragalus habitat, and relocate the power line in this low impact area (the "Permitted Property"). The construction is to be completed before an intended land trade between the BLM and the Trust Lands Administration of this and other lands, and the existing power line poles are to be removed no later than October 31, 2008.

LEGAL DESCRIPTION:

Township 43 South, Range 16 West, SLB&M

Section 26: Within

RIGHT OF ENTRY 5255 – CITY OF ST. GEORGE (CONTINUED)

BEGINNING AT A POINT APPROXIMATELY 1898 FEET NORTH 42°43'15" EAST FROM THE SOUTH - WEST CORNER OF SECTION 26, TOWNSHIP 43 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN; PROCEEDING THENCE SOUTH 1°30'23" EAST, 914 FEET; THENCE SOUTH 29°4'7" WEST, 572.45 FEET; TO A POINT ON THE SOUTH SECTION LINE OF SAID SECTION 26. CONTAINING 1.71 ACRES, MORE OR LESS.

and

Township 43 South, Range 16 West, SLB&M

Section 35: Within

BEGINNING AT A POINT APPROXIMATELY 1033.9 FEET SOUTH 88°55'8" EAST FROM THE NORTH-WEST CORNER OF SECTION 35, TOWNSHIP 43 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT LOCATED ON NORTH SECTION LINE OF SAID SECTION; PROCEEDING THENCE SOUTH 29°4'7" WEST, 1194.2 FEET; THENCE SOUTH 34°32'41" WEST, 776.1 FEET TO A POINT ON THE WEST SECTION LINE OF SAID SECTION 35. CONTAINING 2.26 ACRES, MORE OR LESS.

Containing a total of 3.97 acres, more or less.

NUMBER OF ACRES BY COUNTY: 3.97 acres - Washington County

NUMBER OF ACRES BY FUND: 3.97 acres - School

Upon recommendation of Andrea L. James, the Director approved this transaction.

ACTIONS CONTAINING FEE WAIVERS

NONE